

Albury Market Update 2nd Half 2020



OVERVIEW

In Q2 2020, Albury* recorded a median house price of \$325,000, and a median land price of \$160,000. This represents annual (Q2 2019 – Q2 2020) median price softening of -1.5% for houses and growth of 8.5% for land. Between Q2 2019 – Q2 2020 total sales slowed, by -28.3% for houses (to 142 sales) and by -49.3% for vacant land (to 34 sales), reflecting COVID-19 conditions. With vacant land showing healthy price growth and Government incentives on offer, now is a good time to enter the property market in Albury.

	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↓	↓
	House Rental Price	↔	↓
	Land Sales	↓	↓
	Land Median Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2020



SALES AVERAGE DAYS ON MARKET Q2 2020



RENTAL MEDIAN PRICE Q2 2020

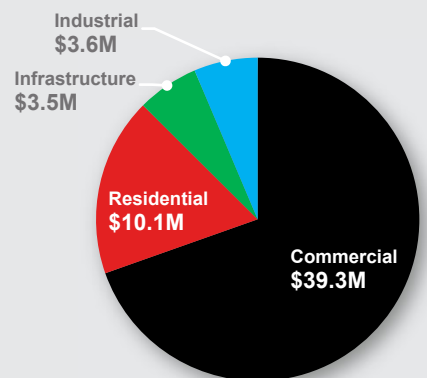


RENTAL AVERAGE DAYS ON MARKET Q2 2020



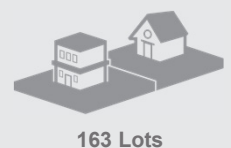
FUTURE DEVELOPMENTS

Albury* is set to see approximately **\$56.5M** worth of new development commence in the 2nd half of 2020.



A focus on commercial projects will stimulate economic growth locally and create new employment opportunities in Albury*, which will have a positive spill-over impact on the real estate market in the future.

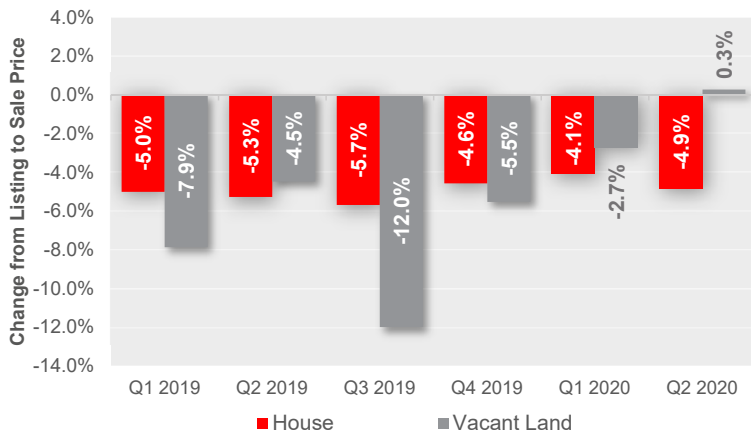
A main commercial project over the 2nd half of 2020 is the \$25.0M Lutheran Aged Care - Dellacourt. The project will see additions and alterations to the existing facility to improve care and liveability for its residents and provide more rooms for further residents. Residential projects such as the Kerr Road Residential Subdivision (\$4.4M, 96 lots) are vital to ensuring a stable supply of new dwellings can come to market. The house market in Albury has shown resilient price growth despite COVID-19, which makes the area attractive.



*Albury market data and key indicators encapsulates aggregate property market conditions within the postcodes 2640 and 2641.
 **Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
 Source: APM Pricerfinder, Cordell Connect database. © Copyright PRD 2020.

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

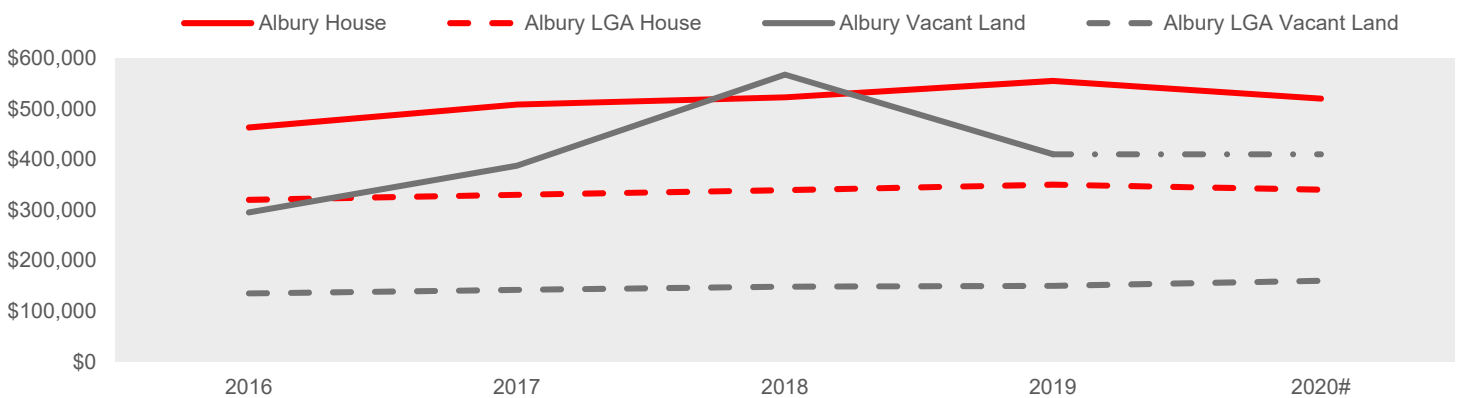


Average vendor discounts between Q2 2019 and Q2 2020 have tightened for houses, to -4.9%, and swung to a premium for land, to 0.3%. Market conditions for land have now shifted to favour sellers, where buyers need to offer above the initial list price. House sellers can achieve a final sale price closer to their first list price, whilst buyers still benefit from a discount.

The suburb of Albury has historically outperformed the wider Albury Local Government Area (LGA) in both house and land median prices. This continues to be the case in 2020# for houses, though land in the suburb of Albury is tightly held, with no land sales for the period.

The dominant proportion of homes sold in Albury* in 2020^ were priced within the second lowest bracket of \$250,000-\$350,000 (29.5%). This makes Albury* a highly affordable housing market, which creates an ideal environment for first home buyers.

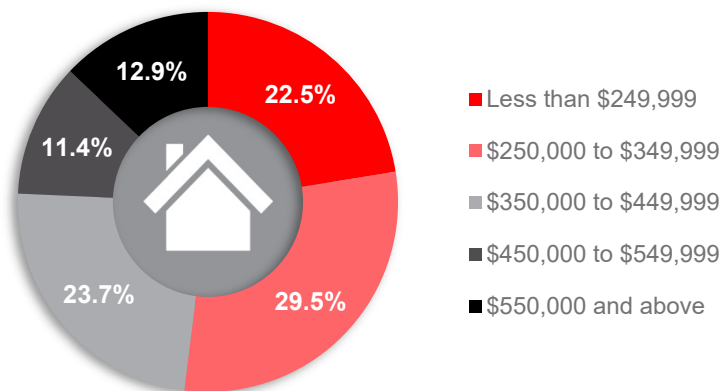
MARKET COMPARISON



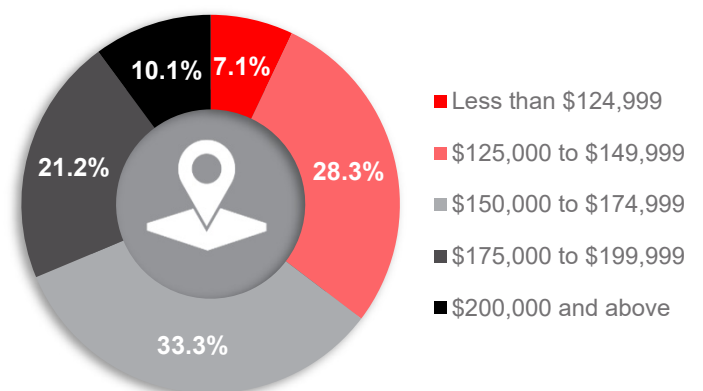
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Albury.

PRICE BREAKDOWN 2020^

HOUSES SOLD



VACANT LAND SOLD

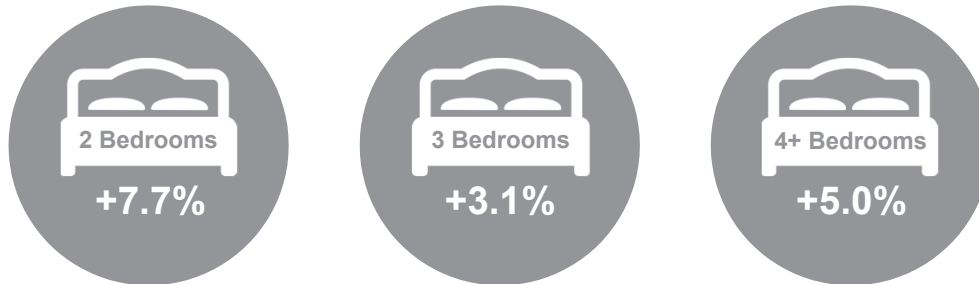


RENTAL GROWTH 2020*

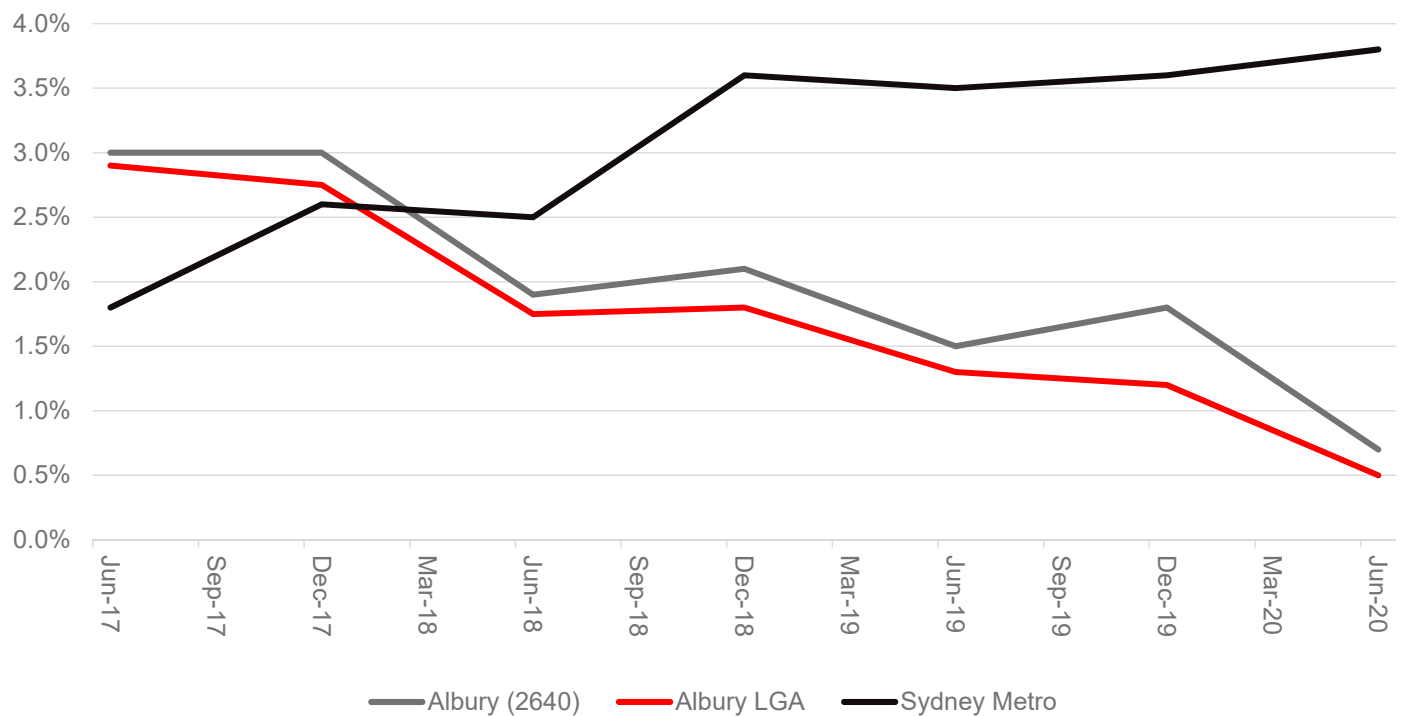
Over the past 12 months, house rental yields in Albury increased slightly to reach 4.9% in June 2020. This suggests the house rental market is in a healthy position, despite slightly slowed demand for rental properties in Albury across the same time period (-5.9% to 257 house rentals in the 12 months to Q2 2020).

2 bedroom houses have provided investors with +7.7% rental growth annually, achieving a median rent of \$280 per week.

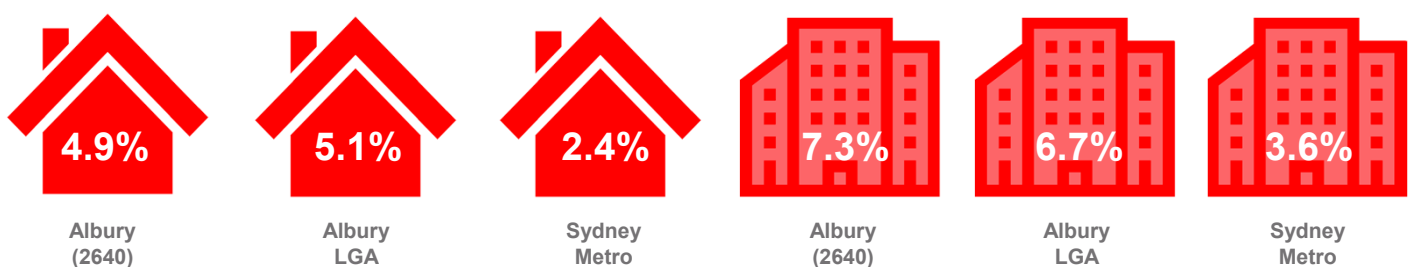
Albury recorded an extremely low vacancy rate of 0.7% in June 2020, which represents a declining rate in the past three years. Albury records a historic-low vacancy rate in June 2020 and is well below Sydney Metro's 3.8% average. There is a growing rental demand in Albury, and given current uncertainties due to COVID-19 a declining trend in vacancy rates assures investors of quicker rental occupancy and creates investment confidence.



RENTAL VACANCY RATES 2020

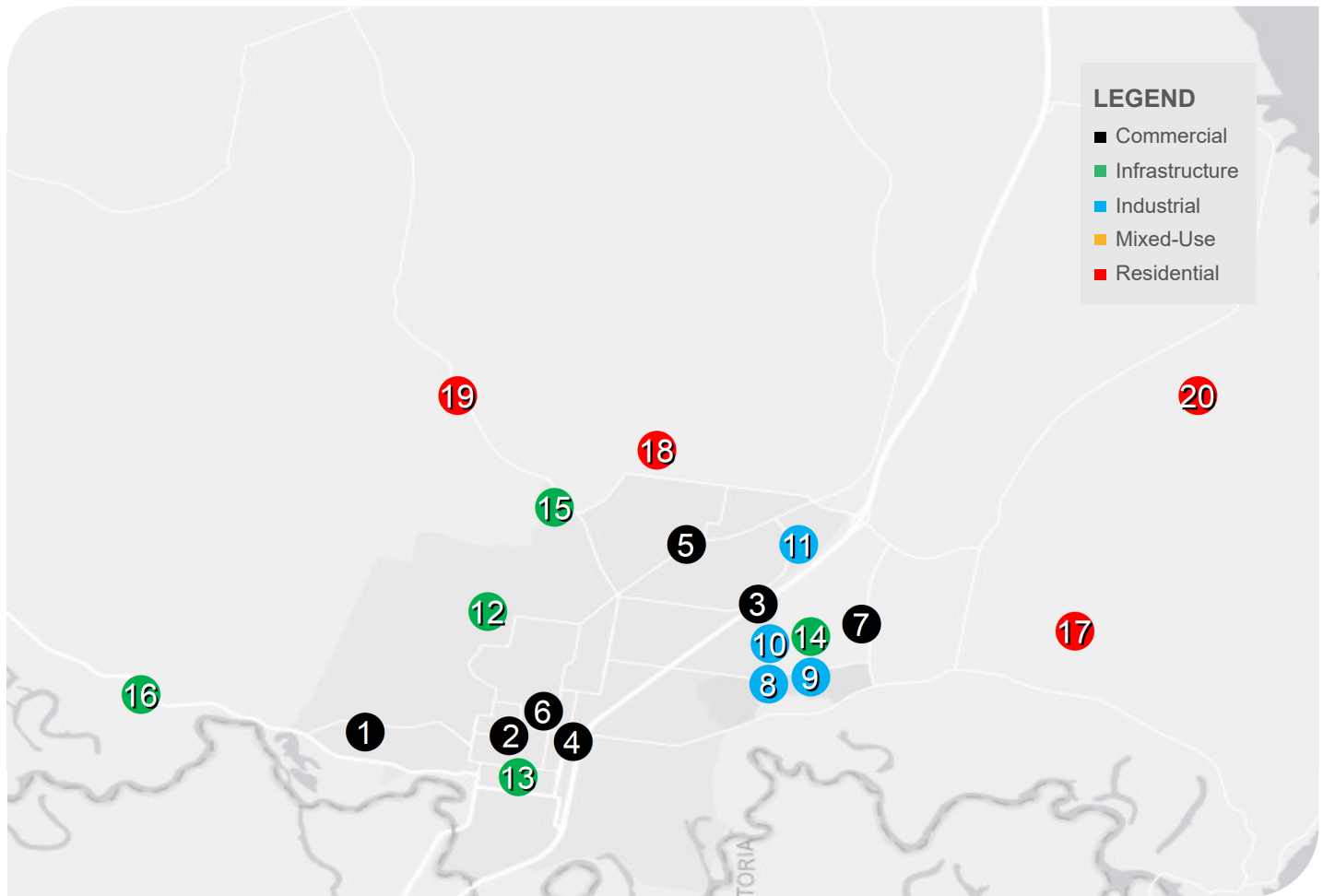


RENTAL YIELD 2020^



*Rental performance graph represents aggregate house median rent prices within the postcodes 2640 and 2641. Annual rental growth is a comparison between 1H 2019 (01/01/2019 – 30/06/2019) and 1H 2020 (01/01/2020 – 30/06/2020) house median rent figures. ^Rental yields shown are as reported at June 2020.
Source: APM Pricer, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 2ND HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Lutheran Aged Care - Dellacourt	Commercial	\$25,000,000	10/08/2020
2	Kiewa Street Office Building	Commercial	\$5,504,000	19/12/2020
3	Union Rd Data Centre	Commercial	\$5,000,000	24/10/2020
4	Amart	Commercial	\$2,000,000	04/12/2020
5	Wagga Road Commercial Building	Commercial	\$750,000	11/10/2020
6	Young Street & Parkway Lane Medical Centre	Commercial	\$550,000	06/09/2020
7	Hoffmann Road Transport Depot	Commercial	\$522,000	03/09/2020
8	Merkel Street Warehouses	Industrial	\$1,471,000	29/08/2020
9	Fallon Street Industrial & Commercial Development	Industrial	\$780,000	13/09/2020
10	Merkel Street Warehouse	Industrial	\$700,000	10/09/2020
11	Conrad Place Warehouses	Industrial	\$660,000	16/11/2020
12	Glenmorus Gardens	Infrastructure	\$1,100,000	20/07/2020
13	ATO Albury	Infrastructure	\$750,000	03/08/2020
14	Ceres Drive & Merkel Street Warehouses	Infrastructure	\$636,000	19/12/2020
15	Lavington Sports Ground	Infrastructure	\$500,000	15/10/2020
16	Wagirra Trail	Infrastructure	\$500,000	10/09/2020
17	Kerr Road Residential Subdivision (96 Lots)	Residential	\$4,400,000	10/10/2020
18	Strauss & Goldsworthy Streets Dwellings (18 Dwellings)	Residential	\$2,590,000	08/11/2020
19	Urana Road Residential Subdivision (37 Lots)	Residential	\$1,700,000	09/11/2020
20	Pastoral Lane & Kywana Road Residential Subdivision (30 Lots)	Residential	\$1,400,000	27/12/2020

OUR SERVICES INCLUDE

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.



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